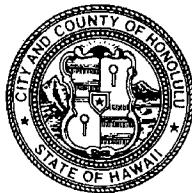


DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov

KIRK CALDWELL
MAYOR



NELSON H. KOYANAGI, JR.
DIRECTOR

GARY T. KUROKAWA
DEPUTY DIRECTOR

January 21, 2015

The Honorable Ernest Y. Martin
Chair and Presiding Officer
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

RECEIVED
CITY CLERK
C & C OF HONOLULU
2015 JAN 22 PM 3:12

Dear Chair Martin and Councilmembers:

SUBJECT: Bill to Repeal Article 64, Other Post-Employment Benefits Reserve Fund of Chapter 6, Revised Ordinances of Honolulu 1990

The attached bill proposes to repeal Article 64, Other Post-Employment Benefits (OPEB) Reserve Fund of Chapter 6, Revised Ordinances of Honolulu 1990.

The OPEB Reserve Fund was established to accumulate, invest, appropriate, and manage funds to meet the costs of providing health care, life insurance and other post-employment benefits, other than pension obligations, to retirees and their dependents. The fund was established prior to the establishment by the Employer-Union Health Benefits Trust Fund (EUTF) Board of an OPEB trust fund with separate accounts for each public employer. According to Hawaii Revised Statutes Section 87A-42, the City is required to pay its OPEB contributions into the EUTF OPEB trust fund. Presently, there is no money in the City's OPEB Reserve Fund, and there is no intention to use this fund in the future. Therefore, we propose to abolish the OPEB Reserve Fund through the attached bill.

Please call me at 768-3901 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Nelson H. Koyanagi, Jr.", is written over a horizontal line.

Nelson H. Koyanagi, Jr., Director
Budget and Fiscal Services

Attachment

APPROVED:

A handwritten signature in black ink, appearing to read "Roy K. Amemiya, Jr.", is written over a horizontal line.

Roy K. Amemiya, Jr.
Managing Director Designate



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____ **(2015)**

A BILL FOR AN ORDINANCE

RELATING TO ARTICLE 64 OF CHAPTER 6, REVISED ORDINANCES OF HONOLULU 1990, RELATING TO THE OTHER POST-EMPLOYMENT BENEFITS RESERVE FUND.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to repeal Article 64 of Chapter 6, Revised Ordinances of Honolulu 1990, related to the Other Post-Employment Benefits Reserve Fund ("Reserve Fund").

SECTION 2. Findings and Determinations. The Reserve Fund was established to accumulate, invest, appropriate, and manage funds to meet the costs of providing health care, life insurance and other post-employment benefits, other than pension obligations, to retirees and their dependents.

The City is now required to pay its Other Post-Employment Benefits contributions into the State Employer-Union Health Benefits Trust Fund OPEB trust fund.

Presently, there is no money in the Reserve Fund and there is no intention to use the Reserve Fund in the future.

As the Reserve Fund is no longer needed, the City now seeks to repeal Article 64 of Chapter 6, Revised Ordinances of Honolulu 1990, related to the Other Post-Employment Benefits Reserve Fund.

SECTION 3. Article 64 of Chapter 6, Revised Ordinances of Honolulu 1990, related to the Other Post-Employment Benefits Reserve Fund is repealed in its entirety.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL _____ **(2015)**

A BILL FOR AN ORDINANCE

SECTION 3. This ordinance shall take effect upon its approval.

INTRODUCED BY:

DATE OF INTRODUCTION:

Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20____.

KIRK CALDWELL, Mayor
City and County of Honolulu